



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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July 20, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

UPDATE: GENERAL FUND CASH FLOW POSITION

As of July 20, 2009, the General Fund's cash position remained consistent with our cash projections, with a cash balance of \$346.1 million. Combined with the \$1.3 billion in Tax and Revenue Anticipation Note proceeds, over \$1.6 billion is currently available for General Fund purposes. This positive cash flow position will allow the General Fund to maintain financial stability through the the first quarter of this fiscal year.

Registered Warrants

Since July 1, 2009, the State has issued \$33.6 million in registered warrants to the County, of which \$10.9 million in registered warrants have been exchanged for cash. Bank of America, Wells Fargo Bank, and Union Bank, however, all halted acceptance of registered warrants on July 10. Bank of the West and Citibank have agreed to continue accepting a limited dollar amount of registered warrants from the County.

The remaining \$22.7 million in uncashed registered warrants, which were received on July 17 and 20, are being held by the Treasurer and Tax Collector pending discussions with Bank of the West and Citibank on the acceptance of these registered warrants.

Impact on County Programs

We continue to work with potentially affected departments to determine possible impacts to program cash flows from State payment deferrals and program reductions.

"To Enrich Lives Through Effective And Caring Service"

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Each Supervisor
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These potential impacts will be presented to your Board as they are finalized over the next few weeks. Programmatic and budgetary responses to the State's budgetary actions will be presented to your Board in September, as part of our Final Supplemental 2009-10 Budget recommendations.

Should your staff have any questions regarding this matter, your staff may contact Debbie Lizzari at (213) 974-6872 or Jan Takata at (213) 974-1360.

WTF:DL
DJT:JT:zu

c: Executive Officer, Board of Supervisors
 Acting County Counsel
 Auditor-Controller
 Treasurer and Tax Collector